

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION**

<b>IN RE:</b>	)	
	)	<b>Case No. 19-00730</b>
<b>CAH ACQUISITION COMPANY #1, LLC, d/b/a</b>	)	
<b>WASHINGTON COUNTY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	
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<b>IN RE:</b>	)	
	)	<b>Case No. 19-01230</b>
<b>CAH ACQUISITION COMPANY #2, LLC, d/b/a</b>	)	
<b>OSWEGO COMMUNITY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	
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<b>IN RE:</b>	)	
	)	<b>Case No. 19-01180</b>
<b>CAH ACQUISITION COMPANY #3, LLC, d/b/a</b>	)	
<b>HORTON COMMUNITY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	
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<b>IN RE:</b>	)	
	)	<b>Case No. 19-01300</b>
<b>CAH ACQUISITION COMPANY 6, LLC, d/b/a</b>	)	
<b>I-70 COMMUNITY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	
	)	
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<b>IN RE:</b>	)	
	)	<b>Case No. 19-01298</b>
<b>CAH ACQUISITION COMPANY 7, LLC, d/b/a</b>	)	
<b>PRAGUE COMMUNITY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	
	)	
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<b>IN RE:</b>	)	
	)	<b>Case No. 19-01697</b>
<b>CAH ACQUISITION COMPANY 12, LLC, d/b/a</b>	)	
<b>FAIRFAX COMMUNITY HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor</b>	)	
	)	

<b>IN RE:</b>	)	
	)	
<b>CAH ACQUISITION COMPANY 16, LLC, d/b/a</b>	)	<b>Case No. 19-01227</b>
<b>HASKELL COUNTY COMMUNITY</b>	)	
<b>HOSPITAL,</b>	)	<b>Chapter 11</b>
	)	
<b>Debtor.</b>	)	<b>(Jointly Administered)</b>
	)	

**TRUSTEE’S EIGHTH STATUS REPORT  
ON SALES OF DEBTORS’ ASSETS**

**NOW COMES** Thomas W. Waldrep, Jr., the trustee (the “Trustee”) for the above-captioned debtors (individually, a “Debtor,” and collectively, the “Debtors”), by and through undersigned counsel, and hereby submits this Eighth Status Report on the sales of the Debtors’ assets. In support thereof, the Trustee respectfully states as follows:

1. As of the filing of this Status Report, the sales of the assets of Debtors CAH Acquisition Company #1, LLC d/b/a Washington County Hospital; CAH Acquisition Company #2, LLC d/b/a Oswego Community Hospital; CAH Acquisition Company #3, LLC d/b/a Horton Community Hospital; and CAH Acquisition Company 12 d/b/a Fairfax Community Hospital have closed.

**CAH Acquisition Company 6, LLC**

2. Like the sale of the assets of CAH Acquisition Company #1, LLC, Affinity has received and executed a lending commitment to fund the purchase of this Debtor’s assets.

3. The required title commitment and appraisal procedures remain ongoing. Affinity anticipates that this sale will close by the end of May 2020.

4. The Trustee has requested Sherwood Partners to re-market the property in case Affinity dos not close. Those efforts are ongoing.

**CAH Acquisition Company 7, LLC**

5. The Trustee has maintained contact with counsel for TULSA, and the parties were prepared to close the transaction on April 30, 2020, to be effective at 12:01 a.m. on May 1, 2020. The Trustee is currently holding funds for the full purchase price of the assets in his law firm's client trust account.

6. However, yesterday TULSA communicated to the Trustee's counsel that it disagreed with the Trustee's intention to retain for the benefit of the estate approximately \$260,000 in cash received on April 10, 2020 under the federal government's COVID-19 stimulus program (the "Stimulus Funds").

7. Due to this dispute, the transaction did not close on April 30, 2020, but the parties now have an understanding in principle of how to document and resolve it. In fact, the parties hope to be able to amend the closing documents in time for the transaction to still close on May 1, 2020, to be effective at 12:01 a.m. on May 4, 2020. Essentially, the Stimulus Funds will be held in escrow and not spent until several conditions can be met. First, the Trustee will seek Court approval before distributing any of the Stimulus Funds after application is made and documentation provided for how such funds are to be distributed with notice to be given to the U.S. Department of Health and Human Services and CMS. Second, any of the reporting, auditing, or other compliance related to the spend of the Stimulus Funds would be handled by the Trustee. If there are Stimulus Funds that remain in escrow after the Trustee has exhausted his permitted purposes, then TULSA may seek to use the remainder of the Stimulus Funds for permitted purposes.

**CAH Acquisition Company 16, LLC**

8. The Trustee has maintained contact with counsel for Haskell Regional Hospital, Inc. (“HRH”) who reported to the Trustee’s counsel today that HRH will be prepared to close on or before May 15, 2020 as it has received positive news recently with respect to its various outstanding applications for federal funding. HRH has also committed to wire an additional \$10,000 deposit to the Trustee on May 1, 2020 to demonstrate its commitment to closing within the next two weeks.

9. Since the filing of the Trustee’s previous status report, several interested parties have, through Sherwood Partners, contacted counsel for the Trustee to obtain due diligence information. Although the Trustee and his counsel will continue to coordinate the provision of such information to these interested parties, the Trustee has agreed to consummate the contemplated transaction with HRH if it occurs on or before May 15, 2020 and if the Trustee receives the promised \$10,000 deposit.

Respectfully submitted, this the 1st day of May, 2020.

**WALDREP LLP**

/s/ Thomas W. Waldrep, Jr.

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*Co-Counsel for the Trustee*